

# SUBMISSION BY SAUDI ARABIA

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## Views on Different Elements of The Cancun Agreement Decision 1/CP16

### OVERALL REFERENCE

The COP, at its 16<sup>th</sup> session, invited Parties to submit to the secretariat, by 21 February 2011, their views on different elements of the Cancun Agreement in Decision 1CP16. Saudi Arabia welcomes the opportunity to submit its views on these important elements

Saudi Arabia emphasizes that the UNFCCC is and will continue to be the main guiding framework for all climate change actions for now and into the future. Therefore, all its principles, rights and obligations, as well as existing annexes shall remain valid for any agreed outcome from Cancun.

In accordance with the Bali Action Plan, the aim of the Cancun Agreement is to enhance implementation of the convention for the present, as well as up to and beyond 2012. Any objectives must be aligned with the objective of the convention and must allow for economic development to proceed in a sustainable manner and ensure that food production is not threatened.

## **THE ADAPTATION COMMITTEE**

### **Reference from the Cancun Agreement**

21. *Invites* Parties to submit to the secretariat, by 21 February 2011, views on the composition of, and modalities and procedures for, the Adaptation Committee, including on proposed linkages with other relevant institutional arrangements;

### **Views from Saudi Arabia**

Saudi Arabia would like to highlight the importance of adaptation to climate change and the impact of response measures to developing countries as a whole. In this regards, we would stress the need to promote development and transfer of technologies that address the adverse impacts of climate change and the adverse impacts of response measures and finance the removal of barriers to the large-scale transfer of technologies for reducing and adapting to these impacts, including through economic diversification. Such technologies should include those that would improve energy efficiency, and cleaner fossil fuel technologies such as carbon capture and storage, non-energy uses of fossil fuels such as petrochemicals, and technologies that would improve the reliability and cost-effectiveness of alternate clean energy sources, such as solar energy. These technologies will help to improve the resilience of countries that currently rely heavily on revenues from the production, export and consumption of conventional fossil fuels, as well as those that rely heavily on a single source of energy that in this way will have a suite of energy sources.

Saudi Arabia would like to stress the need to establish and enhance grounds to provide financial and technical support, to share experiences, and to take up opportunities, in order to incorporate and integrate adaptation within sustainable development, specifically in the area of adaptation to the impact of climate change and the adverse impact of response measures.

Developed country Parties shall provide developing country Parties with financing that is long-term, scaled up, adequate, new and additional to official development assistance commitments. Financing should be predictable and grant-based, and should be mostly finance from public sources. This is a commitment on Annex I countries as part of the repayment of their climate debt and their historic responsibility for the accumulation of greenhouse gas emissions. Annex I countries should also provide support for technology, insurance and capacity-building to implement urgent, short-, medium- and long-term adaptation actions, plans, programs and projects at local, national, sub-regional and regional levels. Such adaptation plans will cover a wide range of actions in and across different economic and social sectors and ecosystems.

Enhanced action on adaptation should be undertaken in accordance with the Convention; follow a country-driven, participatory and fully transparent approach.

The work of the newly established adaptation committee should include a clear process to advance solutions and opportunities that contribute to sustainable development, through adaptation to the adverse impacts of climate change and the adverse impact of response measures. Specifically, it should establish methodologies to guide Annex I Parties in implementing win-win policies and measures, which have long been requested and advocated by developing countries. Such policies must meet both the need to reduce emissions and the need to minimize adverse social, environmental and economic impacts on developing country Parties, especially those identified in Article 4.8. This should be given a high priority since no methodological work is established under Article 4.8 on these impacts.

It is clear that many developing countries lack the capacity to assess the scope and magnitude of the impacts of climate change and response measures on their own. The UNFCCC should, therefore, promote the exchange of information and sharing of experiences and views, to improve and enhance efforts towards:

- a. Understanding of the scientific, technical and socio-economic impact of climate change and the impact of response measures;
- b. Identifying innovative and efficient adaptation technologies for both the impacts for climate change and the impact of response measure.

Moreover, the work of the adaptation committee should address capacity building and transfer of adaptive and advanced technologies to adapt to climate change and response measures, as well as assessment of cost effective options, including capacity building and transfer of technology for adaptation, to contribute to sustainable development in the area of adaptation to climate change and adaptation to the adverse impact of response measures;

Adaptation Committee under the Convention should provide coherence in the implementation of the enhanced action on adaptation under the Convention. This Committee shall operate to provide guidance to enhance action on adaptation.

The adaptation committee should also overlook the establishment of an international mechanism to address social, economic and environmental loss and damage associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate change and/or to the impact of the implementation of response measures. The functions of this international mechanism shall include engaging stakeholders with the specialist expertise required to provide advice to the Conference of Parties for addressing loss and damage through risk management, insurance and rehabilitation.

The adaptation committee should be composed of representatives from all Parties, covering all regions and sub-regions and groups. There should be higher representation from developing countries; developing countries shall constitute at least two thirds of the committee, as most of the adaptation needs are in developing countries. The committee could also use the participation of experts from the industry and civil society. The committee should have good interaction with national and regional agencies that address adaptation needs in developing countries. It should establish a clear work programme and report back to the COP annually on progress under the different elements of the work programme.

## **ADAPTATION: ELEMENTS TO BE INCLUDED IN THE WORK PROGRAMME**

### **Reference from the Cancun Agreement**

28. *Invites* Parties and relevant organizations to submit to the secretariat, by 21 February 2011, views and information on what elements should be included in the work programme, including the following:

- (a) Possible development of a climate risk insurance facility to address impacts associated with severe weather events;
- (b) Options for risk management and reduction; risk sharing and transfer mechanisms such as insurance, including options for micro-insurance; and resilience building, including through economic diversification;
- (c) Approaches for addressing rehabilitation measures associated with slow onset events;
- (d) Engagement of stakeholders with relevant specialized expertise;

### **Views from Saudi Arabia**

Saudi Arabia believes that the economic diversification sub-theme addressed within any new work program should provide tangible results to promote economic diversification. It should direct the appropriate subsidiary body under the convention to undertake specific actions. In addition, these specified actions can be overseen by the adaptation committee.

SBI should coordinate, support and follow implementation of actions to:

- Promote economic diversification and provide assistance for developing countries to achieve economic diversification to build resilience against climate change and the impact of response measures.
- Provide support for through foreign direct investment aimed at diversifying economic structure in developing countries; as well as assistance in creating favorable environment to attract such investments.
- Strengthening and improving technology transfer to support economic diversification efforts in developing countries.

SBSTA should coordinate with the scientific research community to:

- Promote understanding and the development and dissemination of measures, methodologies and tools for economic diversification aimed at increasing economic resilience and reducing reliance on vulnerable economic sectors, especially for relevant categories of countries listed in Article 4, paragraph 8, of the Convention;
- Improve the quality of models, in particular those that assess the adverse impacts on social and economic development as consequence of the responses to climate change, taken into full account the legitimate priority needs of developing countries with specific

emphasis on countries whose economies are highly dependent on income generated from the production, processing and export, and/or on consumption of fossil fuels and associated energy-intensive products.

Saudi Arabia also would like to emphasize that the further activities under Nairobi Work Programme that have not been implemented should also consider the following elements:

1. Provision of support for the integration of economic diversification into sustainable development strategies;
2. Exchange of experience in economic diversification and lessons learned, with a view to identifying what technical assistance may be needed to develop structural and institutional capacity and/or to establish a mechanism for facilitating efforts to achieve economic diversification;
3. Coordination by the secretariat with relevant international organizations and the private sector in developed countries on matters relating to economic diversification;
4. Capacity building, at the national level, in the areas of economic diversification
5. Promoting Private-public partnerships in various areas to support economic diversification;
6. Providing recommendations to encourage direct investment and technology transfer from developed countries to assist in the economic diversification of developing countries listed in article 4.8 of the Convention;
7. Addressing the extent to which trade and export barriers affect economic diversification in Parties addressed under article 4.8 of the Convention.

Saudi Arabia believes that economic adaptation to the adverse impacts on social and economic development as a consequence of the responses to climate change, should take fully into account the legitimate priority needs of developing countries with specific emphasis on countries whose economies are highly dependent on income generated from the production, processing and export, and/or on consumption of fossil fuels and associated energy-intensive products as a crucial contribution segment of sustainable development. This is to build resilience of these economies against fluctuations in demand and pricing.

The work program should be overseen by the adaptation committee and include oversight of an international mechanism to address social, economic and environmental loss and damage associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate change and/or to the impact of the implementation of response measures. The functions of this international mechanism shall include engaging stakeholders with the specialist expertise required to provide advice to the Conference of Parties for addressing loss and damage through risk management, insurance and rehabilitation.